



To: Members of the Michigan House Commerce Committee

From: Allie Bush, Director of Government Affairs

Subject: Support for HB 4052

Date: May 12, 2015

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On behalf of the Grand Rapids Area Chamber of Commerce and our 2,600 members, we support House Bill 4052.

Nationally, it is becoming increasingly common for local governments to adopt ordinances or policies that are impinging upon private employers' relationships with their employees. We continue to hear cases where local units are adopting these types of policies, whether its minimum wage ordinances exceeding state requirements, paid or unpaid leave times, broad-based training requirements, wage theft ordinances, and others.

This trend is creating a patchwork of rules and regulations that are extremely burdensome for businesses to manage – compliance can be especially difficult for small businesses, as well as businesses that have locations in multiple jurisdictions.

One item covered under the legislation is wage theft, which is currently regulated under state and federal law. However, in 2012 the City of Grand Rapids looked at adopting a wage theft ordinance that would have required all businesses to comply with a number of regulations – including the posting of rules, rights and a hotline number. After the Chamber expressed concerns over the added regulations to businesses, the City adopted a policy that they will not contract with businesses that have engaged in wage theft during the past 24 months. The Chamber ultimately did not oppose the policy, since it simply lets the City manage their contracts and it does not place any additional regulations on private businesses.

Last week I was before you to highlight West Michigan's strong collaborative spirit between the public, private and nonprofit sectors. Grand Rapids has experienced a tremendous resurgence over the last decade, and each sector has served a role in its redevelopment and growth. And while we know that we're better together, we're even stronger when we focus on our strengths and role within the community.

House Bill 4052 would further define the role of Michigan's local governments, by prohibiting local units from adopting broad-based ordinances that would impinge upon private businesses relationships with their employees.

Again, I urge you to protect employers from an inconsistent and uncompetitive patchwork of regulations, and vote YES on House Bill 4052.